

**BEFORE THE BOARD OF OIL, GAS AND MINING
DEPARTMENT OF NATURAL RESOURCES
STATE OF UTAH**

IN THE MATTER OF THE REQUEST FOR AGENCY ACTION OF QEP ENERGY COMPANY FOR AN ORDER SUSPENDING THE APPLICATION OF UTAH ADMIN. CODE R649-3-2, R649-3-10, AND R649-3-11(1) AND (2) FOR THE SOUTH RED WASH UNIT, COVERING THE S $\frac{1}{2}$ N $\frac{1}{2}$ AND S $\frac{1}{2}$ OF SECTION 1, ALL OF SECTIONS 12 AND 13, AND THE N $\frac{1}{2}$ AND SE $\frac{1}{4}$ OF SECTION 24, TOWNSHIP 8 SOUTH, RANGE 22 EAST, SLM, AND ALL OF SECTIONS 3, 4, 6-10, 13-24, THE E $\frac{1}{2}$ NE $\frac{1}{4}$ AND S $\frac{1}{2}$ OF SECTION 5, THE S $\frac{1}{2}$ OF SECTION 11, AND THE S $\frac{1}{2}$ OF SECTION 12, TOWNSHIP 8 SOUTH, RANGE 23 EAST, SLM, UTAH COUNTY, UTAH.

NOTICE OF HEARING

Docket No. 2016-001
Cause No. 187-11

THE STATE OF UTAH TO ALL PERSONS INTERESTED IN THE FOLLOWING MATTER.

Notice is hereby given that the Board of Oil, Gas and Mining ("Board"), State of Utah, pursuant to Utah Administrative Code R641-113-100, has designated a hearing examiner to conduct a hearing on TUESDAY, January 19, 2016, at 10:00 AM, or as soon thereafter as possible, in rooms 1040 and 1050 at the Department of Natural Resources, 1594 West North Temple, Salt Lake City, Utah.

The hearing will be conducted as a formal administrative adjudication in accordance with the rules of the Board as set forth in Utah Administrative Code R641 et seq. and as provided for in Utah Code Ann. § 40-6-1 et seq. and Utah Code Ann. § 63G-4-101 through 601.

The purpose of the hearing will be for the hearing examiner to receive testimony and evidence regarding a Request for Agency Action to:

1. Suspend the application of Utah Admin. Code R649-3-2, R649-3-10, and R649-3-11(1) and (2) for the South Red Wash Exploratory Unit ("South Red Wash Unit"), covering the following lands:

Township 8 South, Range 22 East, SLM

Section 1: S $\frac{1}{2}$ N $\frac{1}{2}$, S $\frac{1}{2}$
Section 12: All
Section 13: All
Section 24: N $\frac{1}{2}$, SE $\frac{1}{4}$

Township 8 South, Range 23 East, SLM

Section 3: All
Section 4: All
Section 5: E $\frac{1}{2}$ NE $\frac{1}{4}$, S $\frac{1}{2}$
Section 6: All
Section 7: All
Section 8: All
Section 9: All
Section 10: All
Section 11: S $\frac{1}{2}$
Section 12: S $\frac{1}{2}$
Section 13: All
Section 14: All
Section 15: All
Section 16: All
Section 17: All
Section 18: All
Section 19: All
Section 20: All
Section 21: All
Section 22: All
Section 23: All
Section 24: All

(the "Subject Lands");

2. Providing that the producing interval in any future well may not be located closer than 460 feet to the boundaries of the South Red Wash Unit without obtaining an exception location from the Division pursuant to Utah Admin. Code R649-3-3;

3. Providing that no well may be directionally drilled if any producing portion of the 460 foot radius along the projected wellbore intersects with the boundaries of the South Red Wash Unit without complying with the requirements of Utah Admin. Code R649-3-11;

4. Providing that QEP or its successor as unit operator of the South Red Wash Unit agrees to provide (1) a plat or sketch showing the distance to lease boundaries and the target location with any application for permit to drill filed for a directionally drilled well and (2) a copy of the annual plan of development and operation for the South Red Wash Unit;

5. Providing the requested suspension of these rules will remain in effect only for as long as the Subject Lands are committed to the South Red Wash Unit; and

6. Providing for such other and further relief as may be just and equitable under the circumstances.

The examiner's proposed findings of fact and conclusions of law will be filed with the Board of Oil, Gas, and Mining and presented at the February Board hearing which has been set for WEDNESDAY, FEBRUARY 24, 2016, at 9:00 AM or as soon thereafter as possible, in the auditorium of the Department of Natural Resources, 1594 West North Temple, Salt Lake City, Utah.

Objections to the Request for Agency Action must be filed with the Secretary of the Board at the address listed below no later than the 11th day of January, 2016. A party must file a

timely written objection or other response in order to participate as a party at the Board hearing. Failure to participate can result in a default judgment.


Natural persons may appear and represent themselves before the Board. All other representation of parties before the Board will be by attorneys licensed to practice law in the State of Utah, or attorneys licensed to practice law in another jurisdiction which meet the rules of the Utah State Bar for practicing law before the Utah Courts.

Persons interested in this matter may participate pursuant to the procedural rules of the Board. The Request for Agency Action, and any subsequent pleadings, may be inspected at the office of the undersigned, and inspected online at the Utah Board of Oil, Gas and Mining's website at <http://ogm.utah.gov/amr/boardtemp/redesign/books.html>.

Pursuant to the Americans with Disabilities Act, persons requiring auxiliary communicative aids and services to enable them to participate in this hearing should call Julie Ann Carter at (801) 538-5277, at least three working days prior to the hearing date.

DATED this 22nd day of December, 2015.

STATE OF UTAH
BOARD OF OIL, GAS AND MINING
Ruland J. Gill, Jr., Chairman



/s/ Julie Ann Carter
Board Secretary
1594 West North Temple, Suite 1210
Salt Lake City, Utah 84116
(801) 538-5277

CERTIFICATE OF PUBLISHED NOTICE

I hereby certify that I caused a true and correct copy of the foregoing NOTICE OF HEARING for Docket No. 2016-001, Cause No. 187-11 to be PUBLISHED in the following newspapers on the following days:

December 27, 2015:

The Salt Lake Tribune and Deseret Morning News, newspapers of general circulation in Salt Lake City and County.

December 29, 2015:

Uintah Basin Standard, a newspaper of general circulation in Duchesne and Uintah Counties.

December 29, 2015:

Vernal Express, a newspaper of general circulation in Daggett and Uintah Counties.

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CERTIFICATE OF SERVICE

I hereby certify that on this 23rd day of December, 2015, I caused a true and correct copy of the foregoing **NOTICE OF HEARING** for Docket No. 2016-001, Cause No. 187-11, to be mailed by Email or via First Class Mail with postage prepaid, to the following:

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